

_____ BILL NO. _____

INTRODUCED BY _____

(Primary Sponsor)

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING LIMITS ON HOSPITAL CHARGES FOR CERTAIN PATIENTS; ESTABLISHING PENALTIES FOR VIOLATIONS; AMENDING SECTIONS 50-4-504 AND 50-5-111, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 50-4-504, MCA, is amended to read:

"50-4-504. Definitions. As used in this part, the following definitions apply:

(1) "Department" means the department of public health and human services provided for in Title 2, chapter 15, part 22.

(2) "Health care" includes both physical health care and mental health care.

(3) (a) "Health care facility" means all facilities and institutions, whether public or private, proprietary or nonprofit, that offer diagnosis, treatment, and inpatient or ambulatory care to two or more unrelated persons. The term includes all facilities and institutions included in the definition of health care facility contained in 50-5-101.

(b) The term does not ~~apply to~~ include a facility operated by religious groups relying solely on spiritual means, through prayer, for healing.

(4) "Health care provider" or "provider" means a person who is licensed, certified, or otherwise authorized by the laws of this state to provide health care in the ordinary course of business or practice of a profession.

(5) "Health insurer" means any health insurance company, health service corporation, health maintenance organization, insurer providing disability insurance as described in 33-1-207, and, to the extent permitted under federal law, any administrator of an insured, self-insured, or publicly funded health care benefit plan offered by public and private entities.

(6) "Health savings account" means an account established pursuant to the provisions of Public Law 108-173 to help pay for an account holder's medical costs.

(7) (a) "Hospital" means a facility licensed as a hospital or specialty hospital pursuant to Title 50, chapter 5.

(b) The term does not include the Montana state hospital.

1 (8) "Hospital health care service" means an ambulatory or inpatient service or a prescription drug or
2 device provided by a hospital to a patient.

3 (9) "Patient" means an individual obtaining services, including skilled nursing care, from a health care
4 facility.

5 (10) "Uninsured patient" means a patient who is not covered under a policy issued by a health insurer."
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7 NEW SECTION. Section 2. Short title. [Sections 2 through 4] may be cited as the "Hospital
8 Discriminatory Pricing Act".
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10 NEW SECTION. Section 3. Hospital pricing policies -- limitations. (1) A hospital may not collect a
11 payment that is higher than the medicare reimbursement rate for a hospital health care service if the service was
12 provided to an uninsured patient, a patient with a health savings account, or a patient who paid for the service
13 without submitting the claim to a health insurer.

14 (2) (a) Each hospital bill, invoice, or other summary of charges must prominently include the following
15 statement in at least 12-point type that is capitalized: "If you are uninsured, have a health savings account, or are
16 paying this claim without submitting it to a health insurer, you are not required to pay more for the hospital health
17 care service than medicare reimburses for the service."

18 (b) The bill, invoice, or other summary of charges must include the appropriate medicare reimbursement
19 rate for each hospital health care service provided.
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21 NEW SECTION. Section 4. Pricing violations -- civil remedies. (1) A violation of [section 3] is:

22 (a) an unlawful practice under 30-14-103 and is subject to the enforcement, remedy, and penalty
23 provisions of Title 30, chapter 14, part 1; and

24 (b) a prohibited activity under 50-5-111 and is subject to the remedies provided in Title 50, chapter 5, part
25 1.

26 (2) A person who suffers a financial loss because of a violation of [section 3] may bring a civil action for
27 damages pursuant to 30-14-133 or may recover the loss pursuant to a court order under 30-14-131.
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29 **Section 5.** Section 50-5-111, MCA, is amended to read:

30 **"50-5-111. Prohibited activities.** It is unlawful to:

1 (1) operate a facility without a license;

2 (2) prevent, interfere with, or impede department investigation, department enforcement, department
3 examination of relevant books and records, or activities of the department concerning the preservation of
4 evidence; or

5 (3) violate [section 3], any provision of part 1 or 2 of this chapter, ~~or violate~~ a rule, license provision, or
6 order adopted or issued pursuant to part 1 or 2."

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8 **NEW SECTION. Section 6. Codification instruction.** [Sections 2 through 4] are intended to be codified
9 as an integral part of Title 50, chapter 4, part 5, and the provisions of Title 50, chapter 4, part 5, apply to [sections
10 2 through 4].

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12 **NEW SECTION. Section 7. Effective date.** [This act] is effective on passage and approval.

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